

Memo to:  
KSB Contacts  
For use in the Update Newsletter

## Publishing House For Sale - Huge Value - Low Cash Price

Alert!

### Independent Small-Press Publishing House Up For Sale for \$15,000 This Month

An Pittsburgh-based small-press with a collection of more than 40 titles is up for grabs to the first buyer who agrees to an inexpensive cash-and-carry transaction. Just \$15,000 enables the buyer to exclusive one-time/next-time rights to the titles, electronic files, and all the physical book inventory of the company. For an extra \$15,000 the buyer can own the imprint's name.

The early bird gets the worm in this transaction as the \$15,000 sales price is expected to double every month for the next six months. In the worst case situation the existing owner has promised to broker the publishing company in more traditional avenues starting at the annual publishing trade-show June 1997 in Chicago with a \$250,000 asking price.

The guarded name of the 8-year-old publishing house is being revealed only to interested buyers who first disclose themselves in an letter of introduction. Fax your information to: 412-381-7759. A Pittsburgh-based buyer is highly attractive as existing sub-contractor relationships could be transferred to the new owners.

With world-wide customers, the seller's niche-specialty is Health, Fitness and Sports. Electronic Books and even a WWW site is ready for production. None of the titles are "self-authored." Future consumer and trade sales can be shifted to the domain of new buyer's warehouse within a matter of weeks if not days.

This company was selectively shopped around to a handful of foreign publishers by an independent literary agent two years ago for an asking price of \$250,000. At that time the seller withdrew from the sales bargaining process due to time and resource pressures.

In past years major American publishers have expressed interests in certain titles from the seller's line-up. Only one title was ever re-marketed to a third-party publisher. The original publisher's concern for the depth of the backlist was a sticking point for a total-imprint sale.

This new lock-stock-and-barrel sales-strategy means the buyer -- for a fair-market price of one book -- gets 39 extra titles. Additional investments on the part of the buyer would be necessary to bring all these titles into a new publishing house -- but their acquisition would certainly bolster any company's list for seasons to come.

The un-named seller reasons that all acquisitions are a gamble, but the price of this one is such a bargain that an impulse buy can be easily justified. Freight charges for the buyer could equal the acquisition investments. Additional investment into the new line would be needed by the new owners for the re-marketing of the existing stock and re-packaging of in-house manuscripts. However, with new management and with the possible option of the utilization of the existing on-demand processes with present sub-contractors, the full amount of the gross sales price can be recovered within the first selling season.

To motivate future sales performances, this announced early-bird-special acquisition includes full-control and 90% of the publishing company for the new buyer. The final 10% ownership transfer happens after the fifth year of the contract. A third-party escrow account holds 10% ownership to benefit the original publisher payable annually based upon the net profits in the second, third, fourth and fifth years of the deal. Naturally, the exact terms of the sales transfer contract are negotiable.

No debts or liabilities are attached to the business, but with the transfer of ownership, all existing author contracts would need to be reconstructed as reprints and/or revisions are needed. By and large, any new owner has the right to "free-and-clear" decisions as to how to proceed with the titles on a one-by-one basis.

Sample kits and sales appointment bookings are being made available in a limited fashion while supplies last and while the publishing company is still available for sale.

-end-